

license receive-only antennas of smaller diameter for communication with foreign licensed satellites. If these smaller receive-only antennas do not comply with the Commission's antenna standards in Section 25.209 of the rules, however, they would not be protected from interference from foreign or domestic satellites operating in accordance with the Commission's satellite technical standards. By adopting this approach, the Commission in effect would extend its domestic policy to this area, and permit users to utilize smaller receive only earth station antennas at their own risk, without protection from interference.

**VI. A SEPARATE ECO-SAT TEST SHOULD BE APPLIED TO
INTERNATIONAL GOVERNMENTAL SATELLITE ORGANIZATIONS**

The Commission's Notice seeks comment on its proposals as to how to apply the ECO-Sat test to Intergovernmental Satellite Organizations ("IGOs"), such as INTELSAT, seeking access to the U.S. market. HBO concurs with the Commission's conclusion that it would be unfair and unrealistic to treat any single nation as the "home market" of an intergovernmental satellite organization.

As a preliminary matter, HBO objects to the use of INTELSAT satellite facilities to provide U.S. domestic service beyond the limited types available today. INTELSAT currently is the only satellite provider that can offer services between many parts of the world and, in HBO's

experience, INTELSAT capacity, at least for television transmission services, often is in short supply. Given the increasing desire of consumers for immediate television access to global news and sports events, the availability of inter-country satellite transmission services will be of increasing concern. Further, by virtue of its unique and protected status, including certain immunities and privileges through which INTELSAT has obtained landing rights not afforded other nations, INTELSAT enjoys an unfair advantage which would skew the competitive playing field, in contravention of the Commission's stated objectives in this proceeding.

Notwithstanding the above, HBO submits that at such time as the home countries of a critical mass of at least two-thirds of the owners of INTELSAT's equity satisfy the Commission's ECO-Sat test, in whatever form it is adopted, the Commission may consider granting INTELSAT access to the U.S. domestic market.¹³ The same threshold should apply to other IGOs.

VII. CONCLUSION

HBO supports the Commission's efforts to continue to develop policies that encourage the growth of U.S.-based global satellite systems in a manner that promotes our

¹³ It is HBO's understanding that INTELSAT is studying restructuring. The Commission should wait until any restructuring of INTELSAT is complete before finally

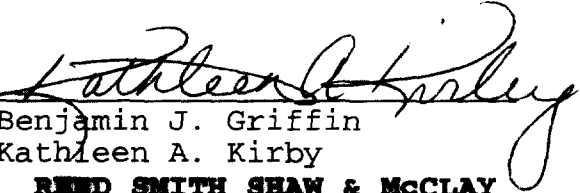
nation's international efficiency and competitiveness. Accordingly, HBO favors the Commission's proposal to open the global information infrastructure by allowing earth station licensees to access both U.S.-licensed and non-U.S. licensed satellites. HBO believes, however, that the Commission should craft a regulatory framework that ensures that domestic needs will be given top priority. Further, HBO cautions the Commission that, as described above, before U.S. markets are opened to foreign competitors, a comprehensive, service-by-service analysis of whether or not reciprocal effective competitive opportunities exist in competitors' markets must be undertaken, with particular attention to *de facto* entry barriers. In addition, to achieve the critical spectrum management goals that are normally served by the U.S. space station licensing process, U.S. technical standards must be observed by all systems authorized to operate within the United States, regardless

considering the question of INTELSAT's access to the U.S. domestic market.

of which administration coordinates the space stations internationally.

Respectfully submitted,

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